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STRENGTHENING INTERNATIONAL STATISTICAL COOPERATION

Inter-Agency Task Force on International Trade Statistics

Note by the Secretary-General

The Secretary-General has the honour to transmit to the Statistical Commission the report of the Inter-Agency Task Force on International Trade Statistics (Convener: General Agreement on Tariffs and Trade (GATT)), which is contained in the annex. The report is transmitted to the Commission in accordance with a request made by its Working Group on International Statistical Programmes and Coordination at its sixteenth session (Geneva, 13-16 September 1993) (E/CN.3/1994/2, para. 11).

* E/CN.3/1994/1.

ANNEX

Report of the Inter-Agency Task Force on International Trade Statistics

Convener: GATT

I. PERCEPTION OF MANDATE

1. The Task Force interpreted its mandate as focusing on the availability, quality and consistency of international merchandise trade data by:

(a) Improving the flow of data from national authorities to the Statistical Division of the United Nations Secretariat (UNSTAT) for inclusion in the Commodity Trade Statistics Data Base (Comtrade) (termed "reported" data);

(b) Adjusting reported data which do not comply with international guidelines, to assure inter-country comparability;

(c) Improving the estimation process used to create data files for those countries and periods where no reported data are available;

(d) Improving the flow of data among the international organizations, as well as information about the data compiled and disseminated by them;

(e) Reducing duplication in data collection and consequently reducing reporting burdens on countries;

(f) Improving user access to the databases, particularly to Comtrade;

(g) Ensuring that international concepts and definitions in trade statistics continue to be relevant to trading practices and are harmonized with related statistical standards;

(h) Assisting countries in improving their international trade statistics;

(i) Generally enhancing the level of communication and cooperation among the international organizations active in international trade statistics work.

2. In addition to the reported data received and maintained by UNSTAT in Comtrade at the finest level of detail, it was decided by the Task Force to create and maintain two additional databases consisting of:

(a) Reported data with adjustments and estimates, disaggregated at the three-digit level of the Standard International Trade Classification, revision 2 (SITC, Rev.2) by partner (to be managed by UNSTAT and lodged at the New York Computing Service (NYCS) and the International Computing Centre (ICC);

(b) A unified database where imports and exports are forced to match at the country level, by commodity, for negotiations purposes (to be managed by GATT and lodged at ICC).

II. EVALUATION OF METHODS

3. The methods of work of the Task Force have included:

(a) Preparation of reports. These have been descriptive, analytical and constructively critical;

(b) Review of the reports and extensive discussion and questioning in meetings. Challenges have been extended to each participating organization to refocus its own work, in the context of greater cooperation, while still meeting its own objectives;

(c) Expanded bilateral and multilateral communication throughout the year on technical, data-related and methodological questions. Communication has become more effective and frequent and has generated a more open and collegial approach, which is having positive impact on the work done.

4. The above-mentioned methods of work have been used to carry out the terms of reference outlined by the Working Group on International Statistical Programmes and Coordination at its fifteenth session, held from 29 June to 1 July 1992 (E/CN.3/1993/21, para. 53), as follows:

(a) To determine the work being done by international organizations on methods, collection, compilation, processing and dissemination and technical cooperation: major input was requested from each organization and a series of papers was produced to identify the current situation. This served as the basis for developing a strategy and work plans;

(b) To assess problems, duplication, weaknesses, imbalances and priority gaps: several papers were produced comparing side-by-side at the country level, and for major commodity groups, the data currently published by international organizations. Furthermore, an inventory of concepts and definitions used by national authorities was compiled from national publications, supplemented by a paper recommending specific areas where further clarification would be required in current United Nations international merchandise trade concepts and definitions;

(c) To evaluate the quality and comparability of statistics produced: the papers referred to in paragraph 4, subparagraphs (a) and (b) above have contributed to work on that item. The Task Force developed an inter-agency questionnaire on national practices in external trade statistics. To date, over 120 national statistical agencies have responded, yielding a wealth of information. A follow-up questionnaire has been developed to address specific questions of interest to particular international organizations and a publication is planned in 1994 on the differences now existing in the compilation of international merchandise trade statistics. Also, a revision to the international merchandise trade concepts and definitions is planned, which will address the extent to which, if any, the theoretical and practical aspects of the compilation of trade statistics should be mixed;

(d) To review the publications issued by each international organization: UNSTAT is undertaking a study to identify the commonalities in output and timing, and the most notable discrepancies in the reported data;

(e) To take agreed actions to improve the system-wide work in this area, including its coordination: actions were agreed across the whole range of concerns in international trade statistics and progress has been closely monitored.

III. ACHIEVEMENTS TO DATE

A. Improving the content and flow of data for Comtrade

5. UNSTAT developed a more structured approach in follow-up procedures and promoted a more coordinated approach among international organizations for exchanging information. This mutual cooperation has resulted in significant improvements, and many international organizations and other users have already benefited from the more complete and current coverage of Comtrade in their compilation of 1992 statistics. Systems work is well under way for including data according to the Harmonized Commodity Description and Coding System (HS) in Comtrade, in addition to the data currently held according to the Standard International Trade Classification.

B. Adjustments to report data

6. A division of labour approach was implemented, with the priority areas being allocated as follows:

(a) Flags of convenience - United Nations Conference on Trade and Development (UNCTAD);

(b) Food aid and barter trade - Food and Agriculture Organization of the United Nations (FAO);

(c) Military goods and special/general trade - General Agreement on Tariffs and Trade (GATT);

(d) Monetary gold - International Monetary Fund (IMF);

(e) Bunkers and illegal trade - Organisation for Economic Cooperation and Development (OECD);

(f) Cost, insurance, freight/free on board (c.i.f./f.o.b.) - World Bank;

(g) Electricity, gas and water - Statistical Office of the European Communities (Eurostat).

7. Progress has been slower than expected in view of the complexity, in certain areas, of developing quality adjustments, even at the one-digit level of the SITC by country. However, work is being pursued by all concerned.

C. Estimates

8. Two methods are being tested. One is a revised version of the model currently used by UNSTAT (an algorithm for filling gaps in trade matrices). The other, developed by the World Bank, uses a simultaneous equation solving system. A joint paper is being prepared by UNSTAT and the World Bank for consideration by the Task Force. The paper is to include the pros and cons of each model, a recommendation on the better approach and a full set of estimates at the three-digit level of SITC Rev.2 for 1990 for a sample of selected countries.

D. Reducing response burden on countries

9. Efforts are being made to reduce response burden on countries and to improve the consistency of data maintained by international organizations. To that end:

(a) UNSTAT plans to use the aggregate import and export values by country, and aggregate index number series compiled by IMF, rather than continuing independent collection and compilation; that is to start in early 1994;

(b) UNSTAT and Eurostat are studying the possible use of Eurostat data in the Comtrade database, in place of individual Member State submissions; a decision could be taken with the availability of the 1993 annual data;

(c) OECD is studying the use of Comtrade data and a decision is expected in 1994;

(d) Work has begun on the preparation of common estimates for Central European countries and the Commonwealth of Independent States by the Economic Commission for Europe (ECE), UNCTAD and GATT.

E. Other important achievements

10. UNSTAT is to coordinate a review of international trade concepts and definitions, in which the first step is to have international organizations review chapters of the concepts and definitions of interest to them. A preliminary report is planned for 1994. UNSTAT has finalized an interim draft report on country practices based on over 120 replies to the inter-agency questionnaire on national practices in external trade.

11. UNSTAT has also begun work on a review of publications on trade statistics published by international organizations and a draft report is planned for 1994.

12. The World Bank, UNCTAD and UNSTAT, with the World Bank as the lead organization, have proceeded with development work on an improved interface for access to the Comtrade database, which is intended to better meet the needs of its users.

13. UNSTAT has planned a training workshop for countries to assist them in improving their capability to produce international trade statistics; and UNCTAD

has continued supporting the Automated System for Customs Data (ASYCUDA) project in many countries, which includes a computerized system for the production of international trade statistics.

IV. PROSPECTS FOR FUTURE SUCCESS

14. Significant achievements have been made by the Task Force and individual member organizations in a wide range of areas of international trade statistics in a relatively short period, including aspects of data and enhanced systems support; concepts and definitions; country practices; and overall coordination. Specific plans have been made, including priorities and timetables, and responsibilities have been accepted by each organization. Follow-up methods for mutual support and monitoring have been introduced. A training workshop on improving international trade statistics will be held. Mutual confidence has been built up among the participating organizations. While some deadlines have not been met, especially in the area of adjustments and estimates, other work is largely on target and the prospects are very positive.

15. A list of the members of the Task Force is set out below.

General Agreement on Tariffs and Trade (Convener)

United Nations Statistical Division/Department for Economic and Social Information and Policy Analysis

Macroeconomic Analysis and Social Policy Division/Department for Economic and Social Information and Policy Analysis

United Nations Conference on Trade and Development

Economic Commission for Africa

Economic Commission for Europe

Economic Commission for Latin America and the Caribbean

Economic and Social Commission for Asia and the Pacific

Economic and Social Commission for Western Asia

Food and Agriculture Organization of the United Nations

World Bank

International Monetary Fund

Customs Cooperation Council

Inter-American Development Bank

Organisation for Economic Cooperation and Development

Statistical Office of the European Communities